

TITLE 26 - INTERNAL REVENUE CODE**Subtitle A - Income Taxes****CHAPTER 1 - NORMAL TAXES AND SURTAXES****Subchapter A - Determination of Tax Liability****PART IV - CREDITS AGAINST TAX****Subpart B - Other Credits****§ 30C. Alternative fuel vehicle refueling property credit****(a) Credit allowed**

There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 30 percent of the cost of any qualified alternative fuel vehicle refueling property placed in service by the taxpayer during the taxable year.

(b) Limitation

The credit allowed under subsection (a) with respect to all qualified alternative fuel vehicle refueling property placed in service by the taxpayer during the taxable year at a location shall not exceed—

- (1) \$30,000 in the case of a property of a character subject to an allowance for depreciation, and
- (2) \$1,000 in any other case.

(c) Qualified alternative fuel vehicle refueling property

For purposes of this section, the term “qualified alternative fuel vehicle refueling property” has the same meaning as the term “qualified clean-fuel vehicle refueling property” would have under section 179A if—

- (1) paragraph (1) of section 179A (d) did not apply to property installed on property which is used as the principal residence (within the meaning of section 121) of the taxpayer, and
- (2) only the following were treated as clean-burning fuels for purposes of section 179A (d):
 - (A) Any fuel at least 85 percent of the volume of which consists of one or more of the following: ethanol, natural gas, compressed natural gas, liquified natural gas, liquefied petroleum gas, or hydrogen.
 - (B) Any mixture—
 - (i) which consists of two or more of the following: biodiesel (as defined in section 40A (d)(1)), diesel fuel (as defined in section 4083 (a)(3)), or kerosene, and
 - (ii) at least 20 percent of the volume of which consists of biodiesel (as so defined) determined without regard to any kerosene in such mixture.
 - (C) Electricity.

(d) Application with other credits**(1) Business credit treated as part of general business credit**

So much of the credit which would be allowed under subsection (a) for any taxable year (determined without regard to this subsection) that is attributable to property of a character subject to an allowance for depreciation shall be treated as a credit listed in section 38 (b) for such taxable year (and not allowed under subsection (a)).

(2) Personal credit

The credit allowed under subsection (a) (after the application of paragraph (1)) for any taxable year shall not exceed the excess (if any) of—

- (A) the regular tax liability (as defined in section 26 (b)) reduced by the sum of the credits allowable under subpart A and section 27, over
- (B) the tentative minimum tax for the taxable year.

(e) Special rules

For purposes of this section—

(1) Basis reduction

The basis of any property shall be reduced by the portion of the cost of such property taken into account under subsection (a).

(2) Property used by tax-exempt entity

In the case of any qualified alternative fuel vehicle refueling property the use of which is described in paragraph (3) or (4) of section 50 (b) and which is not subject to a lease, the person who sold such property to the person or entity using such property shall be treated as the taxpayer that placed such property in service, but only if such person clearly discloses to such person or entity in a document the amount of any credit allowable under subsection (a) with respect to such property (determined without regard to subsection (d)). For purposes of subsection (d), property to which this paragraph applies shall be treated as of a character subject to an allowance for depreciation.

(3) Property used outside United States not qualified

No credit shall be allowable under subsection (a) with respect to any property referred to in section 50 (b)(1) or with respect to the portion of the cost of any property taken into account under section 179.

(4) Election not to take credit

No credit shall be allowed under subsection (a) for any property if the taxpayer elects not to have this section apply to such property.

(5) Recapture rules

Rules similar to the rules of section 179A (e)(4) shall apply.

(6) Special rule for property placed in service during 2009 and 2010

In the case of property placed in service in taxable years beginning after December 31, 2008, and before January 1, 2011—

(A) in the case of any such property which does not relate to hydrogen—

(i) subsection (a) shall be applied by substituting “50 percent” for “30 percent”,

(ii) subsection (b)(1) shall be applied by substituting “\$50,000” for “\$30,000”, and

(iii) subsection (b)(2) shall be applied by substituting “\$2,000” for “\$1,000”, and

(B) in the case of any such property which relates to hydrogen, subsection (b)(1) shall be applied by substituting “\$200,000” for “\$30,000”.

(f) Regulations

The Secretary shall prescribe such regulations as necessary to carry out the provisions of this section.

(g) Termination

This section shall not apply to any property placed in service—

(1) in the case of property relating to hydrogen, after December 31, 2014, and

(2) in the case of any other property, after December 31, 2010.

(Added Pub. L. 109–58, title XIII, § 1342(a), Aug. 8, 2005, 119 Stat. 1049; amended Pub. L. 109–135, title IV, §§ 402(k), 412 (d), Dec. 21, 2005, 119 Stat. 2615, 2636; Pub. L. 110–172, § 6(b), Dec. 29, 2007, 121 Stat. 2479; Pub. L. 110–343, div. B, title II, § 207(a), (b), Oct. 3, 2008, 122 Stat. 3839; Pub. L. 111–5, div. B, title I, §§ 1123(a), 1142 (b)(3), 1144 (b)(2), Feb. 17, 2009, 123 Stat. 325, 331, 332.)

Amendments

2009—Subsec. (d)(2)(A). Pub. L. 111–5, § 1144(b)(2), substituted “section 27” for “sections 27 and 30B”.

Pub. L. 111–5, § 1142(b)(3), struck out “, 30,” before “and 30B”.

NB: This unofficial compilation of the U.S. Code is current as of Jan. 4, 2010 (see <http://www.law.cornell.edu/uscode/uscp.html>).

Subsec. (e)(6). Pub. L. 111–5, § 1123(a), added par. (6).

2008—Subsec. (c)(2)(C). Pub. L. 110–343, § 207(b), added subpar. (C).

Subsec. (g)(2). Pub. L. 110–343, § 207(a), substituted “December 31, 2010” for “December 31, 2009”.

2007—Subsec. (b). Pub. L. 110–172, § 6(b)(1), reenacted heading without change and amended introductory provisions generally. Prior to amendment, introductory provisions read as follows: “The credit allowed under subsection (a) with respect to any alternative fuel vehicle refueling property shall not exceed—”.

Subsec. (c). Pub. L. 110–172, § 6(b)(2), reenacted heading without change and amended text generally. Prior to amendment, text read as follows:

“(1) In general.—Except as provided in paragraph (2), the term ‘qualified alternative fuel vehicle refueling property’ has the meaning given to such term by section 179A (d), but only with respect to any fuel—

“(A) at least 85 percent of the volume of which consists of one or more of the following: ethanol, natural gas, compressed natural gas, liquefied natural gas, liquefied petroleum gas, or hydrogen, or

“(B) any mixture of biodiesel (as defined in section 40A (d)(1)) and diesel fuel (as defined in section 4083 (a)(3)), determined without regard to any use of kerosene and containing at least 20 percent biodiesel.

“(2) Residential property.—In the case of any property installed on property which is used as the principal residence (within the meaning of section 121) of the taxpayer, paragraph (1) of section 179A (d) shall not apply.”

2005—Subsec. (d)(2)(A). Pub. L. 109–135, § 412(d), substituted “regular tax liability (as defined in section 26 (b))” for “regular tax”.

Subsec. (e)(2). Pub. L. 109–135, § 402(k), inserted at end “For purposes of subsection (d), property to which this paragraph applies shall be treated as of a character subject to an allowance for depreciation.”

Effective Date of 2009 Amendment

Pub. L. 111–5, div. B, title I, § 1123(b), Feb. 17, 2009, 123 Stat. 325, provided that: “The amendment made by this section [amending this section] shall apply to taxable years beginning after December 31, 2008.”

Amendment by section 1142(b)(3) of Pub. L. 111–5 applicable to vehicles acquired after Feb. 17, 2009, see section 1142(c) of Pub. L. 111–5, set out as an Effective and Termination Dates of 2009 Amendment note under section 24 of this title.

Amendment by section 1144(b)(2) of Pub. L. 111–5 applicable to taxable years beginning after Dec. 31, 2008, see section 1144(c) of Pub. L. 111–5, set out as an Effective and Termination Dates of 2009 Amendment note under section 24 of this title.

Effective Date of 2008 Amendment

Pub. L. 110–343, div. B, title II, § 207(c), Oct. 3, 2008, 122 Stat. 3840, provided that: “The amendments made by this section [amending this section] shall apply to property placed in service after the date of the enactment of this Act [Oct. 3, 2008], in taxable years ending after such date.”

Effective Date of 2007 Amendment

Pub. L. 110–172, § 6(e), Dec. 29, 2007, 121 Stat. 2481, provided that:

“(1) In general.—Except as otherwise provided in this subsection, the amendments made by this section [amending this section and sections 41, 45J, 4041, 4042, 4082, and 6430 of this title, and enacting provisions set out as a note under section 6430 of this title] shall take effect as if included in the provisions of the Energy Policy Act of 2005 [Pub. L. 109–58] to which they relate.

“(2) Nonapplication of exemption for off-highway business use.—The amendment made by subsection (d)(3) [amending section 4041 of this title] shall apply to fuel sold for use or used after the date of the enactment of this Act [Dec. 29, 2007].

“(3) Amendment made by the safetea-lu.—The amendment made by subsection (d)(2)(C)(ii) [amending section 4082 of this title] shall take effect as if included in section 11161 of the SAFETEA-LU [Pub. L. 109–59].”

Effective Date of 2005 Amendment

Amendment by section 402(k) of Pub. L. 109–135 effective as if included in the provision of the Energy Policy Act of 2005, Pub. L. 109–58, to which such amendment relates, see section 402(m)(1) of Pub. L. 109–135, set out as an Effective and Termination Dates of 2005 Amendments note under section 23 of this title.

NB: This unofficial compilation of the U.S. Code is current as of Jan. 4, 2010 (see <http://www.law.cornell.edu/uscode/uscpri.html>).

Effective Date

Pub. L. 109–58, title XIII, § 1342(c), Aug. 8, 2005, 119 Stat. 1051, provided that: “The amendments made by this section [enacting this section and amending sections 38, 55, 1016, and 6501 of this title] shall apply to property placed in service after December 31, 2005, in taxable years ending after such date.”